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February 25, 2008

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**EX PARTE**

Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

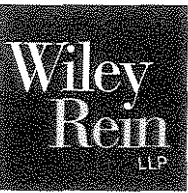
Re: *United Telephone Company of Kansas, United Telephone Company of Eastern Kansas and Twin Valley Telephone, Inc.; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36 of the Commission's Rules; Petition for Waiver of Section 69.3(e)(11) of the Commission's Rules, CC Docket No. 96-45*

Dear Ms. Dortch:

On October 15, 2007, the Federal District Court for the District of Kansas referred to the Commission on primary jurisdiction grounds the question of when the waivers granted in the Commission's September 11, 2006 Order ("Order") in the above-referenced docket were effective.<sup>1</sup> Based upon a plain reading of the Commission's Order and consistent with the purpose of and relationship between the rules that the Commission waived, Twin Valley contends that the waivers were effective on March 1, 2006, which was the closing date of Twin Valley's acquisition of 13 exchanges from Sprint United. Twin Valley submits this additional information in support of its request that the Commission promptly enter an order in response to the District Court's referral finding that the waivers were effective on March 1, 2006.

Twin Valley recognizes that the Commission periodically receives petitions seeking waivers of the study area freeze as well as Section 69.3(e)(11) of the Commission's rules, similar to the waiver petition filed by Twin Valley and Sprint United. However, to the extent the Commission is concerned about the potential impact that granting Twin Valley's requested relief may have on future waiver petitions, Twin Valley is uniquely situated in at least two respects.

<sup>1</sup> *Twin Valley Tel., Inc. v. Universal Serv. Admin. Co., et al.*, Civ. Action No. 07-2172-CM, 2007 U.S. Dist. LEXIS 76893 (D. Kan. Oct. 15, 2007).



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First, in Twin Valley's case it took 320 days for the Commission to rule on the waiver petition, even though the petition was unopposed and did not involve any unique or controversial issues. While not intended as a criticism of the Commission, in other cases involving similar petitions seeking waivers of the study area freeze and Rule 69.3(e)(11), it took the Commission an average of 160 days to issue a ruling. Twin Valley calculated this 160-day average by identifying other study area freeze and Rule 69.3(e)(11) waiver petitions and determining the length of time it took the Commission to act on such petitions – information that is included in Appendix 1.<sup>2</sup> Had the Commission acted on the waiver petition filed by Twin Valley and Sprint United within a similar time period, the waivers would have been granted within approximately four weeks of the closing date of the transaction, rather than almost six months later.

Second, rather than delaying necessary investments in the acquired exchanges until the Commission had granted the waivers, Twin Valley promptly invested considerable amounts of money to expand services available to customers in the 13 former Sprint United exchanges. Specifically, prior to Twin Valley's acquisition of these 13 exchanges, digital subscriber line ("DSL") service was not available to customers in 10 of these 13 exchanges, and in the other three exchanges only approximately 180 customers had DSL service. By the time the Commission entered its Order on September 11, 2006, Twin Valley had made DSL service available in all 13 of the former Sprint United exchanges and had extended considerably the reach of DSL service in the three exchanges where the service was previously available.

In order to expand the availability of broadband service in the 13 former Sprint United exchanges it had acquired, Twin Valley invested approximately \$8 million in digital equipment, fiber optic cable, and fiber deployment between March 1, 2006 and September 1, 2006. These network investments were made with the expectation that benefits provided by the NECA access charge pool and the universal service

<sup>2</sup> Appendix 1 includes prior Commission decisions involving study area freeze and Rule 69.3(e)(11) waiver petitions between 1992 and 2007 based upon a good-faith review of Commission precedent, and it may not include every waiver petition filed during this time period. In addition, petitions that involved unique competitive circumstances were excluded. *See, e.g., Partner Communications Cooperative and Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 69.3(e)(11) and 69.605(c) of the Commission's Rules*, Order, 21 FCC Rcd. 4404 (2006).

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fund would be available during this time period. Although Twin Valley could have waited to make these network investments until after the Commission had issued its order granting the waiver petitions, doing so only would have delayed much needed network upgrades and would have been inconsistent with both Congress's and the Commission's desire to expand the availability of broadband, particularly in rural areas. Granting the relief that Twin Valley seeks would advance this important national objective.

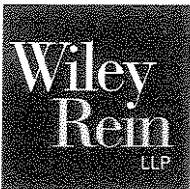
At its December 13, 2007 meeting with the Wireline Competition Bureau, Twin Valley was asked to provide the specific amount that Twin Valley is seeking from NECA as well as the underlying calculations supporting this amount. The amount due from NECA is approximately \$1.1 million, and attached as Appendix 2 is the information underlying this calculation. Importantly, this information highlights the significance of the acquisition to Twin Valley, which increased the number of access lines it served from approximately 2,200 to more than 7,000 and substantially increased its investments and expenses on the closing of the transaction. The exchanges acquired from Sprint United were much larger in size than Twin Valley's existing exchanges, which also may distinguish Twin Valley's situation from other study area freeze and Rule 69.3(e)(11) waiver petitions.

Pursuant to section 0.459(a) of the Commission's rules,<sup>3</sup> Twin Valley requests confidential treatment of Appendix 2 because it contains proprietary commercial and financial information. Section 0.459 of the Commission's rules permits a party that submits confidential information to the Commission to request that such information not be disclosed to the public. If the information that has been submitted is withholdable by the agency pursuant to an exemption under the Freedom of Information Act ("FOIA"),<sup>4</sup> the Commission's rules require that the information remain confidential unless the Commission identifies a "compelling public interest in disclosure."<sup>5</sup>

<sup>3</sup> 47 C.F.R. § 0.459(a).

<sup>4</sup> 5 U.S.C. § 522(b)(4).

<sup>5</sup> *Examination of Current Policy Concerning the Treatment of Confidential Information Submitted to the Commission*, Report and Order, 13 FCC Rcd 24816, 24822-23 (1998) ("Confidential Treatment Order"). Before authorizing release of information, the Commission "insists upon a showing that the information is a necessary link in a chain of evidence that will resolve an issue before the Commission." *Id.* at 24823 (quoting *Classical Radio for Connecticut, Inc.*, Memorandum Opinion and Order, 69 F.C.C.2d 1517, 1520 n.4 (1978)).



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In this case, the information in Twin Valley's Appendix 2 falls within Exemption 4 of FOIA, which exempts "commercial or financial information obtained from a person" that is "confidential" from public disclosure under FOIA.<sup>6</sup> Exemption 4 protects as confidential any commercial or financial information that is "of a kind that would customarily not be released to the public by the person from whom it was obtained."<sup>7</sup>

Here, Appendix 2 contains commercial information regarding Twin Valley's revenues and costs as well as expenses and investment on a service-specific basis, which is commercially sensitive information customarily not released to the public, and therefore falls under FOIA Exemption 4. The information for which Twin Valley is seeking confidential treatment would be extremely beneficial to Twin Valley's actual and potential competitors. Twin Valley would therefore suffer substantial competitive harm if the confidential commercial and financial information contained in Appendix 2 were released to the public. Furthermore, the Commission previously has found this type of information to be competitively sensitive and withholdable under Exemption 4.<sup>8</sup>

For all the foregoing reasons, Twin Valley requests that the Commission withhold from public disclosure the proprietary commercial and financial information contained in Appendix 2, pursuant to Section 0.459 of the Commission's rules.

Pursuant to 47 C.F.R. § 1.1206, please include this ex parte filing in the above-referenced docket.

Respectfully submitted,

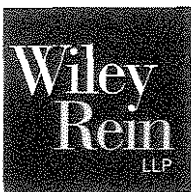
A handwritten signature in black ink, appearing to read "Bennett L. Ross", written over a horizontal line.

Bennett L. Ross

<sup>6</sup> 5 U.S.C. § 552(b)(4).

<sup>7</sup> *Critical Mass Energy Project v. Nuclear Regulatory Comm'n*, 975 F.2d 871, 879 (D.C. Cir. 1992); see also *Confidential Treatment Order*, 13 FCC Rcd at 24816.

<sup>8</sup> See, e.g., *Ctr. for Pub. Integrity v. FCC*, 507 F. Supp. 2d 106 (D.D.C. 2007).



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BLR:rw

cc: Dana Shaffer  
Jeremy Marcus  
Katherine King  
Jennifer McKee  
Amy Bender  
Gary Seigel

## **Appendix 1**

**LENGTH OF TIME FOR COMMISSION ACTION ON OTHER STUDY AREA FREEZE AND  
SECTION 69.3(e)(11) WAIVER PETITIONS**

CASE	CITATION	DATE WAIVER PETITION FILED	DATE WAIVER ORDER ADOPTED	DAYS
<i>SRT Communications, Inc. and North Dakota Telephone Company; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 69.3(e)(11) and 69.605(c) of the Commission's Rules, CC Docket No. 96-45</i>	22 FCC Rcd 6699	10/2/2006	4/3/2007	183
<i>Gorham Telephone Company, Inc., and Rural Telephone Service Company, Inc.; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Section 69.3 (e)(11) of the Commission's Rules, CC Docket No. 96-45</i>	21 FCC Rcd 11972	6/15/2006	10/25/2006	132
<i>Rural Telephone Service Company, Inc., Nex-Tech, Inc., United Telephone Company of Kansas, and United Telephone Company of Eastern Kansas; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Section 69.3(e)(11) of the Commission's Rules, Docket No. 96-45</i>	21 FCC Rcd 11964	4/12/2006	10/25/2006	196
<i>Sacred Wind Communications, Inc., and Qwest Corporation; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Sacred Wind Communications, Inc.; Related Waivers of Parts 36, 54 and 69 of the Communication's Rules, Docket No. 96-45</i>	21 FCC Rcd 9227	3/30/2006	8/15/2006	138
<i>Lost Nation-Elwood Telephone Company and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Section 69.3(e)(11) of the Commission's Rules, Docket No. 96-45</i>	21 FCC Rcd 4417	10/24/2005	4/27/2006	185

**LENGTH OF TIME FOR COMMISSION ACTION ON OTHER STUDY AREA FREEZE AND  
SECTION 69.3(e)(11) WAIVER PETITIONS**

<b>CASE</b>	<b>CITATION</b>	<b>DATE WAIVER PETITION FILED</b>	<b>DATE WAIVER ORDER ADOPTED</b>	<b>DAYS</b>
<i>Madison River Telephone Company, LLC MebTel, Inc. d/b/a MebTel Communications and BellSouth Telecommunications, Inc.; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36 of the Commission's Rules; Petition for Waiver of Section 69.3(e)(11) of the Commission's Rules, Docket No. 96-45</i>	20 FCC Rcd 19173	1/27/2005	11/29/2005	306
<i>Blue Valley Telecommunications, Inc. and United Telephone Company of Kansas; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36 of the Commission's Rules; Petition for Waiver of Section 6903(e)(11) of the Commissioner's Rules, Docket No. 96-45</i>	20 FCC Rcd 19166	1/10/2005	11/29/2005	323
<i>Nemont Telephone Cooperative, Inc. Missouri Valley Communications, Inc. Reservation Telephone Cooperative and Citizens Telecommunications Company of North Dakota; Joint Petition for Waiver of the Study Area Boundary Freeze Codified in the Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 61.41(c)(2), 69.3(e)(11) and 69.605(c) of the Commission's Rules, Docket No. 96-45</i>	18 FCC Rcd 838	10/25/2002 <sup>1</sup>	1/27/2003	94
<i>Dickey Rural Telephone Cooperative, Dickey Rural Access, Inc., Polar Telecommunications Company of North Dakota; Joint Petition for Waiver of the Definition of "Study Area" Contained in the Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 61.41(C) and (d), 69.3(e)(11) and 69.605(c), Docket No. 96-45</i>	17 FCC Rcd 16881	5/13/2002 <sup>2</sup>	9/13/2002	123

<sup>1</sup> Date of filing of supplemental waiver petition.

<sup>2</sup> Date of filing of supplemental waiver petition.



**LENGTH OF TIME FOR COMMISSION ACTION ON OTHER STUDY AREA FREEZE AND  
SECTION 69.3(e)(11) WAIVER PETITIONS**

CASE	CITATION	DATE WAIVER PETITION FILED	DATE WAIVER ORDER ADOPTED	DAYS
<i>Norway Rural Telephone Company and Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 69.3(e)(11) and 69.605(c), Docket No. 96-45</i>	17 FCC Rcd 20127	3/20/2002 <sup>3</sup>	10/15/2002	209
<i>Saddleback Communications And Qwest Corporation, Docket No. 96-45</i>	16 FCC Rcd 21159	6/21/2001	11/29/2001	161
<i>All West Communications, Inc., Carbon/Emery Telecom, Inc., Central Utah Telephone Inc., Hanksville Telecom, Inc., Manti Telephone Company, Skyline Telecom, UBET Telecom, Inc. And Qwest Corporation; Joint Petition for Waiver of the Definition "Study Area" Contained in the Part 36 Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 61.41(c), 61.41(d) and 69.3(e)(11), Docket No. 96-45</i>	16 FCC Rcd 4697	10/6/2000	2/27/2001	144
<i>Mescalero Apache Telecom, Inc., GTE southwest Incorporated, and Valor Telecommunications of New Mexico, LLC; Joint Petition for Waiver of the Definition of "Study Area" Contained in the Part 36, Appendix-Glossary of the Commission's Rules; Mescalero Apache Telecom, Inc.; Waiver of Sections 61.41(c)(2), 69.3(e)(11), 36.611, and 36.612 of the Commission's Rules, Docket No. 96-45</i>	16 FCC Rcd 3813	6/30/2000	1/18/2001	202
<i>Sully Buttes Telephone Cooperative, Inc. and Qwest Corporation; Joint Petition for Waiver of Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules; and Sully Buttes Telephone Cooperative, Inc.; Petition for Waiver of Sections 61.41(c) and (d) and 69.3(e)(11) of the Commission's Rules, Docket No. 96-45</i>	16 FCC Rcd 18810	6/2/2000	8/17/2000	76

<sup>3</sup> Date of filing of supplemental waiver petition.

**LENGTH OF TIME FOR COMMISSION ACTION ON OTHER STUDY AREA FREEZE AND  
SECTION 69.3(e)(11) WAIVER PETITIONS**

<b>CASE</b>	<b>CITATION</b>	<b>DATE WAIVER PETITION FILED</b>	<b>DATE WAIVER ORDER ADOPTED</b>	<b>DAYS</b>
<i>Petition for Waivers filed by East Plains Telecom, Inc., Fort Randal Telephone Company, US WEST Communications, Inc., and Vivian Telephone Company Concerning Sections 69.3(e)(11), 69.3(i)(4), and the Definition of "Study Area" Contained in the Part 36 Appendix-Glossary of the Commission's Rules, Docket No. 96-45</i>	12 FCC Rcd 24422	1/23/1997	4/18/1997	85
<i>Petition for Waivers Filed by Union Telephone Company, Inc., and US West Communications, Inc. Concerning Section 61.41(c)(2) and 69.3(e)(11) and the Definition of "Study Area" Contained in the Part 36 Appendix-Glossary of the Commission's Rules, Docket No. 96-45</i>	12 FCC Rcd 1840	11/22/1996	2/5/1997	75
<i>US West Communications, Inc. and Triangle Telephone Cooperative Association, Inc., and Central Montana Communications, Inc. and US West Communications, Inc. and Range Telephone Cooperative, Inc. and US West Communications, Inc. and Mid-Rivers Telephone Cooperative, Inc. and US West Communications, Inc. and 3 Rivers Telephone Cooperative, Inc. and US West Communications, Inc. and Blackfoot Telephone Cooperative and Clark Fork Telecommunications, Inc., Joint Petitions for Waiver of the Definition of "Study Area" contained in Part 36, Appendix-Glossary of the Commission's Rules and Petitions for Waiver of Sections 61.41(c) and 69.3 (e)(11) of the Commission's Rules, Docket No. 96-45</i>	9 FCC Rcd 202	7/23/1993	12/29/1993	159
<i>US West Communications, Inc. and Emery County Farmers' Union Telephone Association; Joint Petition for Waiver of Sections 36.125(f) and 36.154(e)(1) and (2), and the Definition of "Study Area" contained in Part 36, Appendix-Glossary, of the Commission's Rules and Emery County Farms' Union Telephone Assoc.; Petition for Waiver of Sections 61.61(c) and 69.3(e)(11) of the Commission's Rules, Docket No. 96-45</i>	7 FCC Rcd 6076	6/18/1992	9/11/1992	85

AVERAGE LENGTH OF TIME FOR COMMISSION ACTION

160 days

**CONFIDENTIAL**

## **Appendix 2**

Twin Valley Telephone, Inc.  
NECA Cost Settlement and Federal USF Impacts  
Assuming March 1, 2006 Study Area Waiver Effective Date

<u>March 1, 2006 through August 30, 2006</u>	<u>Source</u>	<u>Amount</u>
<i>NECA Settlements</i>		
1 Additional Cost Reported to NECA		
2 Additional Revenue Reported to NECA		
3 <b>Net Additional NECA Settlement</b>		
<i>High Cost Loop Support (HCLS) Per Line</i>		
4 411317 UTC of Eastern Kansas		
5 411842 UTC of Kansas		
<i>Loop Counts</i>		
6 411317 UTC of Eastern Kansas		<b>REDACTED</b>
7 411842 UTC of Kansas		
<i>HCLS Monthly</i>		
8 411317 UTC of Eastern Kansas		
9 411842 UTC of Kansas		
10 Total		
11 <b>HCLS for Six Months</b>		
12 <b>Total Additional NECA Settlement and HCLS</b>		
(1) 2006 Cost Study filed with NECA - reflects actual Common Line Pool and Traffic Sensitive Pool Rates of Returns.		
(2) Twin Valley Telephone accounting records		
(3) USAC First Quarter 2006 Submission, Appendix HC05 (Monthly Support/Working Loops)		

**TWIN VALLEY TELEPHONE COMPANY, INC. - TOTAL IMPACT OF ADJUSTMENT  
SETTLEMENTS FOR 10 MONTHS OF ACQUIRED OPERATIONS  
NECA SETTLEMENT IMPACT OF USING AN 3-1-2006 EFFECTIVE DATE OF ACQUISITION**

		ADJUSTMENTS	CASH FLOW IMPACT
<u>COMMON LINE</u>			
1.	ACCESS MINUTES		
2.	ACCESS LINES IN SERVICE		
3.	CARRIER COMMON LINE EARNED REVENUES:		
	A) PREMIUM		
	B) NON-PREMIUM		
	C) SPECIAL ACCESS SURCHARGE		
4.	CCL NET REALIZED UNCOLLECTIBLES		
5.	CCL NET EARNED REVENUE (3-4)		
6.	EU EARNED REVENUE		
7.	EU NET REALIZED UNCOLLECTIBLES		
8.	EU NET EARNED REVENUE (6-7)		
9.	CL EXPENSES & OTHER TAXES		
10.	CL AVERAGE NET INVESTMENT		
11.	CL INCOME FROM INTEREST CHARGED CONSTR		
12.	CL INCOME ADJUSTMENT FOR FIT		
13.	CL FIT TAX CREDIT		
<u>TS - SWITCHED ACCESS</u>			
14.	SW EARNED REVENUE		
15.	SW NET REALIZED UNCOLLECTIBLES		
16.	SW NET EARNED REVENUE (14-15)		
17.	SW EXPENSES & OTHER TAXES		
18.	SW AVERAGE NET INVESTMENT		
19.	SW INCOME FROM INTEREST CHARGED CONSTR		
20.	SW INCOME ADJUSTMENT FOR FIT		
21.	SW FIT TAX CREDIT		
<u>TS - SPECIAL ACCESS</u>			
22.	SP EARNED REVENUE		
23.	SP NET REALIZED UNCOLLECTIBLES		
24.	SP NET EARNED REVENUE (14-15)		
25.	SP EXPENSES & OTHER TAXES		
26.	SP AVERAGE NET INVESTMENT		
27.	SP INCOME FROM INTEREST CHARGED CONSTR		
28.	SP INCOME ADJUSTMENT FOR FIT		
29.	SP FIT TAX CREDIT		
Additional Settlements			
Less Additional Interstate Revenue to be Reported to the NECA Pool:			
<b>NECA Additional Settlements:</b>			

REDACTED

\* Using Common Line and Traffic Sensitive Pool Rates of Return Per NECA 4050 report computed november 2007.

ENTERED IN SYSTEM:	02/22/08	REG:	SOUTHWESTERN	SUBSET: 3
APPLIES TO:	1/2006	CO:	TWIN VALLEY TELEPHONE COMPANY	
DATA TYPE:	DMA	SA:	411840 TWIN VALLEY TELEPHONE	
		CSLT:	C004 FRED WILLIAMSON & ASSOC	

COMMON LINE		EC1050	COST STUDY	ADJUSTMENT
1.	ACCESS MINUTES			
2.	ACCESS LINES IN SERVICE			
3.	CARRIER COMMON LINE EARNED REVENUES:			
	A) PREMIUM			
	B) NON-PREMIUM			
	C) SPECIAL ACCESS SURCHARGE			
4.	CCL NET REALIZED UNCOLLECTIBLES			
5.	CCL NET EARNED REVENUE (3-4)			
3.	EU EARNED REVENUE			
7.	EU NET REALIZED UNCOLLECTIBLES			
3.	EU NET EARNED REVENUE (6-7)			
3.	CL EXPENSES & OTHER TAXES			
	A) CL EOT Amount			
	B) Universal Service Contribution Reimbursement			
0.	CL AVERAGE NET INVESTMENT			
1.	CL INCOME FROM INTEREST CHARGED CONSTR			
2.	CL INCOME ADJUSTMENT FOR FIT			
3.	CL FIT TAX CREDIT			
	TS - SWITCHED ACCESS			
4.	SW EARNED REVENUE			
5.	SW NET REALIZED UNCOLLECTIBLES			
6.	SW NET EARNED REVENUE (14-15)			
7.	SW EXPENSES & OTHER TAXES			
8.	SW AVERAGE NET INVESTMENT			
9.	SW INCOME FROM INTEREST CHARGED CONSTR			
3.	SW INCOME ADJUSTMENT FOR FIT			
1.	SW FIT TAX CREDIT			
	TS - SPECIAL ACCESS			
2.	SP EARNED REVENUE			
3.	SP NET REALIZED UNCOLLECTIBLES			
4.	SP NET EARNED REVENUE (14-15)			
5.	SP EXPENSES & OTHER TAXES			
3.	SP AVERAGE NET INVESTMENT			
7.	SP INCOME FROM INTEREST CHARGED CONSTR			
3.	SP INCOME ADJUSTMENT FOR FIT			
3.	SP FIT TAX CREDIT			
	CONTROL TOTAL			

[illegible]

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

ECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

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ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 2/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

	EC1050	COST STUDY	ADJUSTMENT	FACTOR	CASH FLOW
<u>COMMON LINE</u>					
ACCESS MINUTES					
ACCESS LINES IN SERVICE					
CARRIER COMMON LINE EARNED REVENUES:					
A) PREMIUM					
B) NON-PREMIUM					
C) SPECIAL ACCESS SURCHARGE					
CCL NET REALIZED UNCOLLECTIBLES					
CCL NET EARNED REVENUE (3-4)					
EU EARNED REVENUE					
EU NET REALIZED UNCOLLECTIBLES					
EU NET EARNED REVENUE (6-7)					
CL EXPENSES & OTHER TAXES					
A) CL EOT Amount					
B) Universal Service Contribution Reimbursement					
CL AVERAGE NET INVESTMENT					
CL INCOME FROM INTEREST CHARGED CONSTR					
CL INCOME ADJUSTMENT FOR FIT					
CL FIT TAX CREDIT					
<u>TS - SWITCHED ACCESS</u>					
SW EARNED REVENUE					
SW NET REALIZED UNCOLLECTIBLES					
SW NET EARNED REVENUE (14-15)					
SW EXPENSES & OTHER TAXES					
SW AVERAGE NET INVESTMENT					
SW INCOME FROM INTEREST CHARGED CONSTR					
SW INCOME ADJUSTMENT FOR FIT					
SW FIT TAX CREDIT					
<u>TS - SPECIAL ACCESS</u>					
SP EARNED REVENUE					
SP NET REALIZED UNCOLLECTIBLES					
SP NET EARNED REVENUE (14-15)					
SP EXPENSES & OTHER TAXES					
SP AVERAGE NET INVESTMENT					
SP INCOME FROM INTEREST CHARGED CONSTR					
SP INCOME ADJUSTMENT FOR FIT					
SP FIT TAX CREDIT					
CONTROL TOTAL					

REDACTED

MENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

EPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
APPLIES TO: 3/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT	FACTOR	CASH FLOW
1. ACCESS MINUTES					
2. ACCESS LINES IN SERVICE					
3. CARRIER COMMON LINE EARNED REVENUES:					
A) PREMIUM					
B) NON-PREMIUM					
C) SPECIAL ACCESS SURCHARGE					
4. CCL NET REALIZED UNCOLLECTIBLES					
5. CCL NET EARNED REVENUE (3-4)					
6. EU EARNED REVENUE					
7. EU NET REALIZED UNCOLLECTIBLES					
8. EU NET EARNED REVENUE (6-7)					
9. CL EXPENSES & OTHER TAXES					
A) CL EOT Amount					
B) Universal Service Contribution Reimbursement					
0. CL AVERAGE NET INVESTMENT					
1. CL INCOME FROM INTEREST CHARGED CONSTR					
2. CL INCOME ADJUSTMENT FOR FIT					
3. CL FIT TAX CREDIT					
TS - SWITCHED ACCESS					
4. SW EARNED REVENUE					
5. SW NET REALIZED UNCOLLECTIBLES					
6. SW NET EARNED REVENUE (14-15)					
7. SW EXPENSES & OTHER TAXES					
8. SW AVERAGE NET INVESTMENT					
9. SW INCOME FROM INTEREST CHARGED CONSTR					
0. SW INCOME ADJUSTMENT FOR FIT					
1. SW FIT TAX CREDIT					
TS - SPECIAL ACCESS					
2. SP EARNED REVENUE					
3. SP NET REALIZED UNCOLLECTIBLES					
4. SP NET EARNED REVENUE (14-15)					
5. SP EXPENSES & OTHER TAXES					
6. SP AVERAGE NET INVESTMENT					
7. SP INCOME FROM INTEREST CHARGED CONSTR					
8. SP INCOME ADJUSTMENT FOR FIT					
9. SP FIT TAX CREDIT					
CONTROL TOTAL					

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618



NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 4/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT
1. ACCESS MINUTES			
2. ACCESS LINES IN SERVICE			
3. CARRIER COMMON LINE EARNED REVENUES:			
A) PREMIUM			
B) NON-PREMIUM			
C) SPECIAL ACCESS SURCHARGE			
4. CCL NET REALIZED UNCOLLECTIBLES			
5. CCL NET EARNED REVENUE (3-4)			
6. EU EARNED REVENUE			
7. EU NET REALIZED UNCOLLECTIBLES			
8. EU NET EARNED REVENUE (6-7)			
9. CL EXPENSES & OTHER TAXES			
A) CL EOT Amount			
B) Universal Service Contribution Reimbursement			
0. CL AVERAGE NET INVESTMENT			
1. CL INCOME FROM INTEREST CHARGED CONSTR			
2. CL INCOME ADJUSTMENT FOR FIT			
3. CL FIT TAX CREDIT			
TS - SWITCHED ACCESS			
4. SW EARNED REVENUE			
5. SW NET REALIZED UNCOLLECTIBLES			
6. SW NET EARNED REVENUE (14-15)			
7. SW EXPENSES & OTHER TAXES			
8. SW AVERAGE NET INVESTMENT			
9. SW INCOME FROM INTEREST CHARGED CONSTR			
0. SW INCOME ADJUSTMENT FOR FIT			
1. SW FIT TAX CREDIT			
TS - SPECIAL ACCESS			
2. SP EARNED REVENUE			
3. SP NET REALIZED UNCOLLECTIBLES			
4. SP NET EARNED REVENUE (14-15)			
5. SP EXPENSES & OTHER TAXES			
6. SP AVERAGE NET INVESTMENT			
7. SP INCOME FROM INTEREST CHARGED CONSTR			
8. SP INCOME ADJUSTMENT FOR FIT			
9. SP FIT TAX CREDIT			
CONTROL TOTAL			

FACTOR CASH FLOW

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 5/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT	FACTOR	CASH FLOW
1. ACCESS MINUTES					
2. ACCESS LINES IN SERVICE					
3. CARRIER COMMON LINE EARNED REVENUES:					
A) PREMIUM					
B) NON-PREMIUM					
C) SPECIAL ACCESS SURCHARGE					
4. CCL NET REALIZED UNCOLLECTIBLES					
5. CCL NET EARNED REVENUE (3-4)					
6. EU EARNED REVENUE					
7. EU NET REALIZED UNCOLLECTIBLES					
8. EU NET EARNED REVENUE (6-7)					
9. CL EXPENSES & OTHER TAXES					
A) CL EOT Amount					
B) Universal Service Contribution Reimbursement					
0. CL AVERAGE NET INVESTMENT					
1. CL INCOME FROM INTEREST CHARGED CONSTR					
2. CL INCOME ADJUSTMENT FOR FIT					
3. CL FIT TAX CREDIT					
TS - SWITCHED ACCESS					
4. SW EARNED REVENUE					
5. SW NET REALIZED UNCOLLECTIBLES					
6. SW NET EARNED REVENUE (14-15)					
7. SW EXPENSES & OTHER TAXES					
8. SW AVERAGE NET INVESTMENT					
9. SW INCOME FROM INTEREST CHARGED CONSTR					
0. SW INCOME ADJUSTMENT FOR FIT					
1. SW FIT TAX CREDIT					
TS - SPECIAL ACCESS					
2. SP EARNED REVENUE					
3. SP NET REALIZED UNCOLLECTIBLES					
4. SP NET EARNED REVENUE (14-15)					
5. SP EXPENSES & OTHER TAXES					
6. SP AVERAGE NET INVESTMENT					
7. SP INCOME FROM INTEREST CHARGED CONSTR					
8. SP INCOME ADJUSTMENT FOR FIT					
9. SP FIT TAX CREDIT					

## CONTROL TOTAL

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

REDACTED

ECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
APPLIES TO: 6/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
CSLT: C004 FRED WILLIAMSON & ASSOC

COMMON LINE

ACCESS MINUTES

ACCESS LINES IN SERVICE

CARRIER COMMON LINE EARNED REVENUES:

A) PREMIUM

B) NON-PREMIUM

C) SPECIAL ACCESS SURCHARGE

CCL NET REALIZED UNCOLLECTIBLES

CCL NET EARNED REVENUE (3-4)

EU EARNED REVENUE

EU NET REALIZED UNCOLLECTIBLES

EU NET EARNED REVENUE (6-7)

CL EXPENSES &amp; OTHER TAXES

A) CL EOT Amount

B) Universal Service Contribution Reimbursement

CL AVERAGE NET INVESTMENT

CL INCOME FROM INTEREST CHARGED CONSTR

CL INCOME ADJUSTMENT FOR FIT

CL FIT TAX CREDIT

TS - SWITCHED ACCESS

SW EARNED REVENUE

SW NET REALIZED UNCOLLECTIBLES

SW NET EARNED REVENUE (14-15)

SW EXPENSES &amp; OTHER TAXES

SW AVERAGE NET INVESTMENT

SW INCOME FROM INTEREST CHARGED CONSTR

SW INCOME ADJUSTMENT FOR FIT

SW FIT TAX CREDIT

TS - SPECIAL ACCESS

SP EARNED REVENUE

SP NET REALIZED UNCOLLECTIBLES

SP NET EARNED REVENUE (14-15)

SP EXPENSES &amp; OTHER TAXES

SP AVERAGE NET INVESTMENT

SP INCOME FROM INTEREST CHARGED CONSTR

SP INCOME ADJUSTMENT FOR FIT

SP FIT TAX CREDIT

CONTROL TOTAL

EC1050

COST STUDY

ADJUSTMENT

FACTOR

CASH FLOW

REDACTED

MENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

EPARED BY: FWA, Inc.

DATE: 22-Feb-08 TEL: 918-298-1618

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM:	Feb-08	REG:	SOUTHWEST	SUBSET: 3
APPLIES TO:	7/2006	CO:	TWIN VALLEY TELEPHONE COMPANY	
DATA TYPE:	DMA	SA:	411840 TWIN VALLEY TELEPHONE	
		CSLT:	C004 FRED WILLIAMSON & ASSOC	

COMMON LINE		EC1050	COST STUDY	ADJUSTMENT	FACTOR	CASH FLOW
1.	ACCESS MINUTES					
2.	ACCESS LINES IN SERVICE					
3.	CARRIER COMMON LINE EARNED REVENUES:					
	A) PREMIUM					
	B) NON-PREMIUM					
	C) SPECIAL ACCESS SURCHARGE					
4.	CCL NET REALIZED UNCOLLECTIBLES					
5.	CCL NET EARNED REVENUE (3-4)					
3.	EU EARNED REVENUE					
7.	EU NET REALIZED UNCOLLECTIBLES					
3.	EU NET EARNED REVENUE (6-7)					
3.	CL EXPENSES & OTHER TAXES					
	A) CL EOT Amount					
	B) Universal Service Contribution Reimbursement					
0.	CL AVERAGE NET INVESTMENT					
1.	CL INCOME FROM INTEREST CHARGED CONSTR					
2.	CL INCOME ADJUSTMENT FOR FIT					
3.	CL FIT TAX CREDIT					
	TS - SWITCHED ACCESS					
4.	SW EARNED REVENUE					
5.	SW NET REALIZED UNCOLLECTIBLES					
6.	SW NET EARNED REVENUE (14-15)					
7.	SW EXPENSES & OTHER TAXES					
8.	SW AVERAGE NET INVESTMENT					
9.	SW INCOME FROM INTEREST CHARGED CONSTR					
0.	SW INCOME ADJUSTMENT FOR FIT					
1.	SW FIT TAX CREDIT					
	TS - SPECIAL ACCESS					
2.	SP EARNED REVENUE					
3.	SP NET REALIZED UNCOLLECTIBLES					
4.	SP NET EARNED REVENUE (14-15)					
5.	SP EXPENSES & OTHER TAXES					
3.	SP AVERAGE NET INVESTMENT					
7.	SP INCOME FROM INTEREST CHARGED CONSTR					
3.	SP INCOME ADJUSTMENT FOR FIT					
3.	SP FIT TAX CREDIT					
	CONTROL TOTAL					

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 8/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT
1. ACCESS MINUTES			
2. ACCESS LINES IN SERVICE			
3. CARRIER COMMON LINE EARNED REVENUES:			
A) PREMIUM			
B) NON-PREMIUM			
C) SPECIAL ACCESS SURCHARGE			
4. CCL NET REALIZED UNCOLLECTIBLES			
5. CCL NET EARNED REVENUE (3-4)			
6. EU EARNED REVENUE			
7. EU NET REALIZED UNCOLLECTIBLES			
8. EU NET EARNED REVENUE (6-7)			
9. CL EXPENSES & OTHER TAXES			
A) CL EOT Amount			
B) Universal Service Contribution Reimbursement			
10. CL AVERAGE NET INVESTMENT			
11. CL INCOME FROM INTEREST CHARGED CONSTR			
12. CL INCOME ADJUSTMENT FOR FIT			
13. CL FIT TAX CREDIT			
TS - SWITCHED ACCESS			
4. SW EARNED REVENUE			
5. SW NET REALIZED UNCOLLECTIBLES			
6. SW NET EARNED REVENUE (14-15)			
7. SW EXPENSES & OTHER TAXES			
8. SW AVERAGE NET INVESTMENT			
9. SW INCOME FROM INTEREST CHARGED CONSTR			
0. SW INCOME ADJUSTMENT FOR FIT			
1. SW FIT TAX CREDIT			
TS - SPECIAL ACCESS			
2. SP EARNED REVENUE			
3. SP NET REALIZED UNCOLLECTIBLES			
4. SP NET EARNED REVENUE (14-15)			
5. SP EXPENSES & OTHER TAXES			
6. SP AVERAGE NET INVESTMENT			
7. SP INCOME FROM INTEREST CHARGED CONSTR			
8. SP INCOME ADJUSTMENT FOR FIT			
9. SP FIT TAX CREDIT			
CONTROL TOTAL			

FACTOR CASH FLOW

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

REPAIRED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
APPLIES TO: 9/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT
1. ACCESS MINUTES			
2. ACCESS LINES IN SERVICE			
3. CARRIER COMMON LINE EARNED REVENUES:			
A) PREMIUM			
B) NON-PREMIUM			
C) SPECIAL ACCESS SURCHARGE			
1. CCL NET REALIZED UNCOLLECTIBLES			
3. CCL NET EARNED REVENUE (3-4)			
3. EU EARNED REVENUE			
2. EU NET REALIZED UNCOLLECTIBLES			
3. EU NET EARNED REVENUE (6-7)			
3. CL EXPENSES & OTHER TAXES			
A) CL EOT Amount			
B) Universal Service Contribution Reimbursement			
3. CL AVERAGE NET INVESTMENT			
1. CL INCOME FROM INTEREST CHARGED CONSTR			
2. CL INCOME ADJUSTMENT FOR FIT			
3. CL FIT TAX CREDIT			
TS - SWITCHED ACCESS			
4. SW EARNED REVENUE			
5. SW NET REALIZED UNCOLLECTIBLES			
5. SW NET EARNED REVENUE (14-15)			
7. SW EXPENSES & OTHER TAXES			
3. SW AVERAGE NET INVESTMENT			
3. SW INCOME FROM INTEREST CHARGED CONSTR			
3. SW INCOME ADJUSTMENT FOR FIT			
SW FIT TAX CREDIT			
TS - SPECIAL ACCESS			
2. SP EARNED REVENUE			
2. SP NET REALIZED UNCOLLECTIBLES			
SP NET EARNED REVENUE (14-15)			
SP EXPENSES & OTHER TAXES			
SP AVERAGE NET INVESTMENT			
SP INCOME FROM INTEREST CHARGED CONSTR			
SP INCOME ADJUSTMENT FOR FIT			
SP FIT TAX CREDIT			
CONTROL TOTAL			

FACTOR CASH FLOW

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 10/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

COMMON LINE

- |   | EC1050 | COST STUDY | ADJUSTMENT | FACTOR | CASH FLOW |
|---|--------|------------|------------|--------|-----------|
| 1. ACCESS MINUTES                               |        |            |            |        |           |
| 2. ACCESS LINES IN SERVICE                      |        |            |            |        |           |
| 3. CARRIER COMMON LINE EARNED REVENUES:         |        |            |            |        |           |
| A) PREMIUM                                      |        |            |            |        |           |
| B) NON-PREMIUM                                  |        |            |            |        |           |
| C) SPECIAL ACCESS SURCHARGE                     |        |            |            |        |           |
| 4. CCL NET REALIZED UNCOLLECTIBLES              |        |            |            |        |           |
| 5. CCL NET EARNED REVENUE (3-4)                 |        |            |            |        |           |
| 6. EU EARNED REVENUE                            |        |            |            |        |           |
| 7. EU NET REALIZED UNCOLLECTIBLES               |        |            |            |        |           |
| 8. EU NET EARNED REVENUE (6-7)                  |        |            |            |        |           |
| 9. CL EXPENSES & OTHER TAXES                    |        |            |            |        |           |
| A) CL EOT Amount                                |        |            |            |        |           |
| B) Universal Service Contribution Reimbursement |        |            |            |        |           |
| 0. CL AVERAGE NET INVESTMENT                    |        |            |            |        |           |
| 1. CL INCOME FROM INTEREST CHARGED CONSTR       |        |            |            |        |           |
| 2. CL INCOME ADJUSTMENT FOR FIT                 |        |            |            |        |           |
| 3. CL FIT TAX CREDIT                            |        |            |            |        |           |
| <u>TS - SWITCHED ACCESS</u>                     |        |            |            |        |           |
| 4. SW EARNED REVENUE                            |        |            |            |        |           |
| 5. SW NET REALIZED UNCOLLECTIBLES               |        |            |            |        |           |
| 6. SW NET EARNED REVENUE (14-15)                |        |            |            |        |           |
| 7. SW EXPENSES & OTHER TAXES                    |        |            |            |        |           |
| 8. SW AVERAGE NET INVESTMENT                    |        |            |            |        |           |
| 9. SW INCOME FROM INTEREST CHARGED CONSTR       |        |            |            |        |           |
| 0. SW INCOME ADJUSTMENT FOR FIT                 |        |            |            |        |           |
| 1. SW FIT TAX CREDIT                            |        |            |            |        |           |
| <u>TS - SPECIAL ACCESS</u>                      |        |            |            |        |           |
| 2. SP EARNED REVENUE                            |        |            |            |        |           |
| 3. SP NET REALIZED UNCOLLECTIBLES               |        |            |            |        |           |
| 4. SP NET EARNED REVENUE (14-15)                |        |            |            |        |           |
| 5. SP EXPENSES & OTHER TAXES                    |        |            |            |        |           |
| 6. SP AVERAGE NET INVESTMENT                    |        |            |            |        |           |
| 7. SP INCOME FROM INTEREST CHARGED CONSTR       |        |            |            |        |           |
| 3. SP INCOME ADJUSTMENT FOR FIT                 |        |            |            |        |           |
| 3. SP FIT TAX CREDIT                            |        |            |            |        |           |

CONTROL TOTAL

OMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

REPAIRED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

REDACTED

NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
 APPLIES TO: 11/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
 DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
 CSLT: C004 FRED WILLIAMSON & ASSOC

		EC1050	COST STUDY	ADJUSTMENT	FACTOR	CASH FLOW
<u>COMMON LINE</u>						
1.	ACCESS MINUTES					
2.	ACCESS LINES IN SERVICE					
3.	CARRIER COMMON LINE EARNED REVENUES:					
	A) PREMIUM					
	B) NON-PREMIUM					
	C) SPECIAL ACCESS SURCHARGE					
4.	CCL NET REALIZED UNCOLLECTIBLES					
5.	CCL NET EARNED REVENUE (3-4)					
6.	EU EARNED REVENUE					
7.	EU NET REALIZED UNCOLLECTIBLES					
8.	EU NET EARNED REVENUE (6-7)					
9.	CL EXPENSES & OTHER TAXES					
	A) CL EOT Amount					
	B) Universal Service Contribution Reimbursement					
0.	CL AVERAGE NET INVESTMENT					
1.	CL INCOME FROM INTEREST CHARGED CONSTR					
2.	CL INCOME ADJUSTMENT FOR FIT					
3.	CL FIT TAX CREDIT					
<u>TS - SWITCHED ACCESS</u>						
4.	SW EARNED REVENUE					
5.	SW NET REALIZED UNCOLLECTIBLES					
6.	SW NET EARNED REVENUE (14-15)					
7.	SW EXPENSES & OTHER TAXES					
8.	SW AVERAGE NET INVESTMENT					
9.	SW INCOME FROM INTEREST CHARGED CONSTR					
0.	SW INCOME ADJUSTMENT FOR FIT					
1.	SW FIT TAX CREDIT					
<u>TS - SPECIAL ACCESS</u>						
2.	SP EARNED REVENUE					
3.	SP NET REALIZED UNCOLLECTIBLES					
4.	SP NET EARNED REVENUE (14-15)					
5.	SP EXPENSES & OTHER TAXES					
3.	SP AVERAGE NET INVESTMENT					
7.	SP INCOME FROM INTEREST CHARGED CONSTR					
3.	SP INCOME ADJUSTMENT FOR FIT					
3.	SP FIT TAX CREDIT					
<u>CONTROL TOTAL</u>						

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618



NECA SETTLEMENTS

EC1050 EXCHANGE CARRIER INPUT REPORT

EC1050

PAGE 1 OF 1

ENTERED IN SYSTEM: Feb-08 REG: SOUTHWEST SUBSET: 3  
APPLIES TO: 12/2006 CO: TWIN VALLEY TELEPHONE COMPANY  
DATA TYPE: DMA SA: 411840 TWIN VALLEY TELEPHONE  
CSLT: C004 FRED WILLIAMSON & ASSOC

## COMMON LINE

	EC1050	COST STUDY	ADJUSTMENT
1. ACCESS MINUTES			
2. ACCESS LINES IN SERVICE			
3. CARRIER COMMON LINE EARNED REVENUES:			
A) PREMIUM			
B) NON-PREMIUM			
C) SPECIAL ACCESS SURCHARGE			
4. CCL NET REALIZED UNCOLLECTIBLES			
5. CCL NET EARNED REVENUE (3-4)			
6. EU EARNED REVENUE			
7. EU NET REALIZED UNCOLLECTIBLES			
8. EU NET EARNED REVENUE (6-7)			
9. CL EXPENSES & OTHER TAXES			
A) CL EOT Amount			
B) Universal Service Contribution Reimbursement			
0. CL AVERAGE NET INVESTMENT			
1. CL INCOME FROM INTEREST CHARGED CONSTR			
2. CL INCOME ADJUSTMENT FOR FIT			
3. CL FIT TAX CREDIT			
TS - SWITCHED ACCESS			
4. SW EARNED REVENUE			
5. SW NET REALIZED UNCOLLECTIBLES			
6. SW NET EARNED REVENUE (14-15)			
7. SW EXPENSES & OTHER TAXES			
8. SW AVERAGE NET INVESTMENT			
9. SW INCOME FROM INTEREST CHARGED CONSTR			
0. SW INCOME ADJUSTMENT FOR FIT			
1. SW FIT TAX CREDIT			
TS - SPECIAL ACCESS			
2. SP EARNED REVENUE			
3. SP NET REALIZED UNCOLLECTIBLES			
4. SP NET EARNED REVENUE (14-15)			
5. SP EXPENSES & OTHER TAXES			
6. SP AVERAGE NET INVESTMENT			
7. SP INCOME FROM INTEREST CHARGED CONSTR			
8. SP INCOME ADJUSTMENT FOR FIT			
9. SP FIT TAX CREDIT			
CONTROL TOTAL			

FACTOR CASH FLOW

REDACTED

COMMENTS: To adjust settlements to spread acquired operations to include only March through August of 2006

PREPARED BY: FWA, Inc. DATE: 22-Feb-08 TEL: 918-298-1618

## WIN VALLEY TELEPHONE COMPANY, INC. - TOTAL IMPACT OF ADJUSTMENT

SETTLEMENTS FOR 10 MONTHS OF ACQUIRED OPERATIONS

ECA SETTLEMENT IMPACT OF USING AN 3-1-2006 EFFECTIVE DATE OF ACQUISITION

		at 11.25 % rate of return	
		ADJUSTMENTS	CASH FLOW
COMMON LINE			
1.	ACCESS MINUTES		
2.	ACCESS LINES IN SERVICE		
3.	CARRIER COMMON LINE EARNED REVENUES:		
	A) PREMIUM		
	B) NON-PREMIUM		
	C) SPECIAL ACCESS SURCHARGE		
1.	CCL NET REALIZED UNCOLLECTIBLES		
1.	CCL NET EARNED REVENUE (3-4)		
1.	EU EARNED REVENUE		
1.	EU NET REALIZED UNCOLLECTIBLES		
1.	EU NET EARNED REVENUE (6-7)		
1.	CL EXPENSES & OTHER TAXES		
3.	CL AVERAGE NET INVESTMENT		
1.	CL INCOME FROM INTEREST CHARGED CONSTR		
2.	CL INCOME ADJUSTMENT FOR FIT		
3.	CL FIT TAX CREDIT		
TS - SWITCHED ACCESS			
1.	SW EARNED REVENUE		
3.	SW NET REALIZED UNCOLLECTIBLES		
3.	SW NET EARNED REVENUE (14-15)		
1.	SW EXPENSES & OTHER TAXES		
1.	SW AVERAGE NET INVESTMENT		
1.	SW INCOME FROM INTEREST CHARGED CONSTR		
1.	SW INCOME ADJUSTMENT FOR FIT		
	SW FIT TAX CREDIT		
TS - SPECIAL ACCESS			
	SP EARNED REVENUE		
	SP NET REALIZED UNCOLLECTIBLES		
	SP NET EARNED REVENUE (14-15)		
	SP EXPENSES & OTHER TAXES		
	SP AVERAGE NET INVESTMENT		
	SP INCOME FROM INTEREST CHARGED CONSTR		
	SP INCOME ADJUSTMENT FOR FIT		
	SP FIT TAX CREDIT		
Additional Settlements			
Additional NECA Settlements:			

Total
CASH FLOW*

REDACTED

Additional Settlements

Additional NECA Settlements:

Using Common Line and Traffic Sensitive Pool Rates of Return Per NECA 4050 report computed november 2007.

## TWIN VALLEY TELEPHONE COMPANY, INC.

Common Line and Traffic Sensitive Pool Rates of Return  
Per NECA 4050 report computed november 2007.

	CL Residue Ratio	TS Residue Ratio
January 2006		
February 2006		
March 2006		
April 2006		
May 2006		
June 2006		
July 2006		
August 2006		
September 2006		
October 2006		
November 2006		
December 2006		

REDACTED